

while acquiring land for Special Economic Zones (SEZs) preference should be given to waste and barren land and if necessary single crop agricultural land alone should be acquired for the SEZs. If perforce a portion of double cropped agricultural land has to be acquired to meet the minimum area requirements, the same should not exceed 10% of the total land required for the SEZs.

**Impact on food production- due to conversion of fertile
land into SEZs**

1494. SHRI SITARAM YECHURY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the quantum of area which is facing threat of acquisition from the proposed SEZs;

(b) the percentage of arable land, in comparison to the total agricultural land in that particular State, which is facing such threat;

(c) whether any study has been undertaken by Government to find out the impact of converting fertile land into SEZs on the production of foodgrains;

(d) if not, whether there are any plans to do so; and

(e) if not, how Government are going ahead to convert the arable land into non-arable land?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (e) Land being a State subject, decision to acquire land is taken by the concerned State Government. However, 237 Special Economic Zones, for which formal approvals have been granted by the Government, the total land area is 34510 hectares. In these cases, the land already available with the Developers has been utilized for setting up SEZ. Over 60 approvals out of total 237 are for State Government Ventures which account for 17800 hectares approximately. This extent of land would not hamper the agricultural production in the country considering the fact that the total arable land in the country is over 100 million hectares. Therefore, no study in this regard is contemplated. However, the State Governments have been advised that in case of land acquisition for Special Economic Zones (SEZs), priority should be for

acquisition of waste and barren land and if necessary single crop land could be considered. If perforce a portion of double cropped agricultural land has to be acquired to meet the minimum area requirements especially for multi-product SEZs, the same should not exceed 10% of the total land required for the SEZs.

Concessions for Special Economic Zones

1495 MISS MABEL REBELLO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of concessions proposed to be granted for the SEZs by the Centre and the States and the likely revenue implications of these concessions for the Centre and the States, Zone-wise;

(b) the price at which the land is being allotted to the promoters and the price at which the land is proposed to be sold by the promoters, Zone-wise; and

(c) the likely number of people to be displaced and the compensation to be paid to each person displaced, Zone-wise?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) The concessions offered to the units in Special Economic Zones (SEZs) include duty free import/domestic procurement of goods for development, operation and maintenance, 100% Income Tax exemption on export income under Section 10AA of the Income Tax Act for first 5 years, 50% for next 5 years thereafter & 50% of the ploughed back export profit for next 5 years, exemption from minimum alternate tax under section 115JB of the Income Tax Act, external commercial borrowing by SEZ units up to US \$ 500 million in a year without any maturity restriction through recognized banking channels, exemption from Central Sales Tax, exemption from Service Tax, exemption from State sales tax and other levies as extended by the respective State Governments. The major incentives and facilities available to SEZ developers include exemption from customs/excise duties for development of SEZs for authorized operations approved by the Board of Approvals, Income Tax exemption on export income for a block of 10 years in 15 years under Section 80-IAB of the Income Tax Act, exemption from minimum alternate